



Celtic Automation Ltd

STANDARD TERMS AND CONDITIONS OF SALE

1. Formation of Contracts

- (a) Subject to any variation under condition 1b) the contract will be on these conditions to the exclusion of all other terms and conditions (including any terms or conditions which the Purchaser purports to apply under any purchase order, confirmation of order, specification, or other document).
- b) These conditions apply to all Celtic Automation Limited (the "Company") sales and any variation to these conditions and any representations about the goods shall have no effect unless expressly agreed in writing and signed by a director or secretary of the Company.
- c) Each order for goods by the Purchaser from the Company shall be deemed to be an offer by the Purchaser to purchase goods subject to these conditions. No contract shall come into effect until the Purchaser's order has been accepted in writing by the Company.
- d) Any quotation is given on the basis that no contract will come into existence until the Company despatches an acknowledgement of order to the Buyer. Any quotation valid for a period of 30 days only from its date, provided that the company has not previously withdrawn it.
- e) The application of the Uniform Laws on International Sales shall be excluded. The construction validity and performance of all contracts shall be governed by the laws of England and Wales and any claim or dispute arising therefrom shall be subject the jurisdiction of and be determined by the English Courts.

2. Prices

Unless otherwise expressly stated in writing the Company orders are accepted on the basis that:

- a) The price shall be the price set out in the Company's acknowledgement of order unless otherwise agreed in writing by the Company
- b) The prices stated is the net price of the goods (after deduction of any discounts and excluding any applicable VAT) for delivery in accordance with the contract.
- c) The Company is entitled without prior notice to adjust the price stated to take account of any changes in specification made at the request of the Purchaser or any alteration before the date of delivery in the cost to the Company of labour, materials, sub contracted services, or import or export duties or tariffs or transport which directly affect the cost to the Company of supplying the goods.
- d) If the Purchaser shall alter or cancel the whole or any part of an order after acceptance thereof by the Company then (without prejudice to the other rights of the Company) the Purchaser shall indemnify the Company against the cost of all work done materials consumed and expenses incurred in respect of such order up to the date on which the Company received written

notification of such alteration or cancellation and shall indemnify the Company in respect of any profit it would have made but for such cancellation or alteration.

3. Payment

a) Unless otherwise expressly stated prices are due and payable in United Kingdom sterling one calendar month from the end of month of despatch

b) If the Purchaser fails to pay the Company and sum due pursuant to a contract then (without prejudice to any other rights of the Company) the Purchaser shall, without any need for the company to give notice, become liable to pay to the Company interest on the amount for the time to time of HSBC Bank plc calculated from the date of due payment until the date of actual payment whether before or after any judgment and;

i) the Company shall be entitled to suspend all or any other deliveries to be made under that or any other contract with the Purchaser. In such event the Purchaser shall not in any respect be released from its obligations to the Company under that or any other such contract; or

ii) the Company shall be entitled to terminate the relevant contract or any other such contract with the Purchaser in accordance with Condition 12 below and to claim damages from the Purchaser for breach

c) Crates, packing cases, bags etc. will be invoiced and if returned

within one month, carriage paid to the Company's premises in good condition will be credited, otherwise they must be paid for at the invoiced price. The value of packages should not be deducted when making payment.

d) Time of payment is of the essence.

4. Despatch and Delivery

a) Whilst the Company will use all reasonable endeavours to keep any stated despatch or delivery date, such date is approximate only and the Company accepts no liability whatsoever for any loss or damage resulting from the delay howsoever the same shall have been caused.

b) Notwithstanding that the stated price may include the cost of carriage from the Company's premises the risk in the goods sold shall pass to the Purchaser upon their transfer at such premises onto the carrier's or Purchaser's transport save that where the contract is stated to be f.o.b or c.i.f. the risk shall pass to the Purchaser when the goods are delivered onto the ship or aircraft.

c) The Purchaser shall keep the goods fully insured in their full replacement value against all risks prudently insured against at least throughout the period between the risk therein passing to the Purchaser (notwithstanding that the Purchaser may have refused to accept delivery of the goods) and the property therein ceasing to remain with the Company. If the Purchaser fails to ensure the Company may do so instead on behalf of the Purchaser, who shall reimburse the Company on demand. Until the full price has been paid the Purchaser shall hold in trust for the Company the policy and proceeds of insurance.

d) In cases where the Company concludes the contract of carriage and/or arranges for the insurance of the goods for transit the Company shall be deemed to be acting solely as agent of the Purchaser and Section 32(2) and (3) of the Sale of Goods Act, 1979 shall not be applicable.

e) The Company will send to the Purchaser a note stating the date on which the goods have been despatched from the Company's premises ("Advice of Despatch Note"). If the goods are not delivered or upon delivery are found to be damaged or short the Company shall not in any event be liable for any loss (including loss of profit), costs, damages, charges or expenses caused directly or indirectly unless.

i) The Purchaser gives written notice to the Company and to the carrier within four days or the date of delivery or in the case of non-delivery, within fourteen days of the date of despatch as stated on the Advice of Despatch Note: and

ii) in the case of short or damaged delivery the Purchaser gives the Company or its representative(s) a reasonable opportunity to inspect the goods concerned in the state and condition and location in which they were delivered.

The Purchaser may not reject any goods by reason of short delivery.

f) The Purchaser must take delivery of all goods when delivered to him by the Company. If the Purchaser fails to take delivery of such goods, goods remaining in the Company's hands shall be at the Purchaser's risk the goods will be deemed to have been delivered and the Company may store the goods until the Purchaser takes delivery of the goods whereupon the Purchaser will be liable for all related costs (including but without limitation storage and insurance). If the Purchaser fails to take delivery of the goods within one calendar month from the date of despatch as stated on the Advice of Despatch Note the purchase price together with any storage charge shall thereupon become immediately due and payable.

g) The Company may deliver the goods by instalments, each instalment to be deemed to be a separate contract. Without limiting the other provisions herein, no failure or defect in delivery in respect of any contract or instalment shall enable the Purchaser to repudiate or cancel any other contract or instalment.

5. Property

a) Notwithstanding delivery of the goods or of any other documents representing the goods ownership in each item of the goods shall remain with the Company until receipt by the Company of payment in full for such item and payment of all outstanding debts owed by the Purchaser to the Company and any interest upon any such items

b) Until ownership of the goods has passed to the Purchaser, the Purchaser shall hold the goods on a fiduciary basis; store the goods (at no cost to the Company) separately or marked so that they may be readily identified as the property of the Company; and maintain the goods in satisfactory condition insured on the Company's behalf for their full price against all risks to the reasonable satisfaction of the Company.

c) The Purchaser may resell the goods before ownership has passed to it solely on the following conditions:

i) Any sale shall be affected in the ordinary course of the Purchaser's business at full market value and

ii) Any such sale shall be a sale of the Company's property on the Purchaser's own behalf and the Purchaser shall deal as principal when making such a sale.

6. Specifications and Drawings

a) Unless specifically incorporated into the contract by the Company in writing, all specifications and drawings of goods are approximate only being intended to serve merely as a guide and accordingly the Company shall not be liable for their accuracy. Such specifications and drawings shall not form part of the description of the goods.

b) All drawings, models and similar items prepared by the Company and the copyright therein shall remain the property of the Company and shall be returned by the Purchaser on demand. All know-how samples, models, designs and drawings relating to the goods or their development or creation shall remain the Company's property, shall be treated as confidential and shall not be copied, reproduced or disclosed to any third party without the Company's prior written consent.

c) Quality Assurance will be to the level indicated by the Quality Assurance Codes noted on the Acknowledgement of this order, the definition of which will be supplied on request.

7. General Liabilities

a) The Company hereby warrants that all goods supplied are free from defects in material and workmanship, conform to the contract description or any sample and are fit for any purpose notified to and confirmed by the Company in writing. BUT the Company's liability under this warranty shall be limited to making good without charge by repair or (at the discretion of the Company) replacement of any defects (not including damaged goods) which the Company is satisfied are defects of material or workmanship in goods which are returned to the Company's premises as soon as possible after the Purchaser becomes aware of the defects (and in any event within four calendar months after the date of actual delivery).

b) All warranties, conditions and other terms implied by statute or common law (save for the conditions implied by section 12 of the Sale of Goods Act 1979) are to the fullest extent permitted by law, excluded from the contract.

c) Nothing in these conditions excludes or limits the liability of the Company for death or personal injury caused by the Company's negligence or fraudulent misrepresentation.

d) Subject to conditions 7(b) and 7 (c):

i) The Company's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation or otherwise, arising in connection with the performance or contemplated performance of this contract shall be limited to the price paid by the Purchaser for the goods; and

ii) The Company shall not be liable to the Purchaser for (A) any loss of profits, business revenue, business opportunity, contracts, goodwill and /or anticipated savings; or (B) indirect or consequential loss or damage (including, for the avoidance of doubt, where such loss or damage is of the type specified in (A) above, which arises out of or in connection with the contract.

e) The complete or partial invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of such provision for any other purpose or the remaining provisions hereof.

8. Instructions

The Purchaser shall observe strictly the provisions of the Company's written instructions regarding use and application of the goods together with any revisions thereof and shall ensure that any person other than the Purchaser who acquires or has access to the goods is furnished with and observes such instruction. The Purchaser shall indemnify the Company against and loss or liability resulting directly or indirectly from any breach by the Purchaser of its obligations hereunder.

9. Health and Safety at Work

The Purchaser shall be solely responsible for and shall keep the Company indemnified against any loss, liability or expense arising directly or indirectly from use of the goods other than in accordance with the specifications contained in the Company's catalogues or any other specification provided by the Purchaser and accepted in writing by the Company.

10. Force Majeure

The Company shall be entitled to cancel or rescind any contract without liability for loss or damage resulting therefrom if the performance of its obligations under the contract is in any way affected by any war, strike, lock-out, sit-in, trade dispute, flood, accident to plant or machinery, shortage of any material or labour or any other cause whatsoever beyond the Company's control. Such termination shall be without prejudice to the obligation of the Purchaser to pay the price due in respect of goods already delivered or to any accrued rights of the parties prior to such termination.

11. Assignment

The Purchaser shall not assign any contract or any rights hereunder in whole or in part without the prior written consent of the Company.

12. Default

a) The Company may by notice in writing to the Purchaser terminate any contract forthwith if:

i) The Purchaser shall commit any breach of any of the terms (including without limitation terms concerning the time for payment of the purchase price) of that or any other contract with the Company and on its part to be observed or performed PROVIDED that if such breach is remediable the Company has previously given to the Purchaser notice thereof and the same has not been remedied within seven days thereafter.

ii) Steps are taken to (a) propose any composition, scheme of arrangement, compromise or arrangement involving the Purchaser and its creditors generally; (b) obtain an administration order or appoint any administrative or other receiver or manager in relation to, or put in force any legal process against the Purchaser or any of its property; (c) enforce any charge or other security over the Purchaser's property; (d) repossess any goods in the Purchaser's possession under any agreement; or (e) wind up or dissolve the Purchaser

iii) Where the Purchaser is an individual or partnership, he or any partner dies, or any steps are taken with a view to make a bankruptcy order against him or any partner.

iv) Outside England and Wales, anything corresponding to the above occurs.

b) In the event of any such termination:

i) The Purchaser shall forthwith upon demand deliver to the Company any goods which are in possession or control of the Purchaser and the property in which remains with the Company and in default thereof the Company shall be entitled to repossess the same and for such purpose the Purchaser grants to the Company, its agents and employees an irrevocable licence at any time to enter into or upon any premises where the goods shall be stored without being liable for any damage caused thereby and the Purchaser shall indemnify the Company from and against any liability to any third party in respect of any such damages and from and against all actions, proceedings, claims, demands, costs, damages and expenses howsoever arising; and

ii) The Company shall be entitled by notice in writing to the Purchaser to declare (and there shall forthwith become) immediately due and payable any amounts outstanding from the Purchaser to the Company under that or any other contract and all such amounts shall bear interest at the rate set out in Condition 3(b) above calculated from the date of the notice until actual payments as well after as before any judgement.

c) The provisions of (a) and (b) above and the exercise by the Company of its rights hereunder are without prejudice to any other rights of the Company.

13. General

a) The headings used in these Terms and Condition are for convenience only and shall not affect the construction thereof.

b) The parties to this contract do not intend that any term of this contract will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.

c) A copy of the Company's Quality Policy is available on request.